

pension plan or plans to comply with the act and, among other provisions, generally prohibits a public employer that offers a defined benefit plan from offering new employees defined benefit retirement formulas other than those established by the act, which, in comparison to existing formulas, generally provide reduced benefits and later ages for retirement. PEPRAs prohibits the purchase of nonqualified service credit, as defined, unless the application to purchase the credit is received by the retirement system prior to January 1, 2013, and subsequently approved. PEPRAs prohibits an employer from paying a new member's contribution for the normal cost of benefits in a defined plan and prohibits an enhancement of a public employee's retirement benefit adopted on or after January 1, 2013, from applying to service previously performed.

The County Employees Retirement Law of 1937 (CERL) authorizes counties and districts to establish retirement systems in order to provide pension benefits to their employees and their beneficiaries and prescribes the rights, benefits, and duties of members in this regard. Certain parts of CERL are applicable only in specified counties or upon adoption by the board of supervisors of a county. CERL provides for a defined retirement benefit based upon credited service, final compensation, and age at retirement subject to specified formulas relating to membership classification. The law defines compensation earnable and final compensation for these purposes. The law permits credit for service as an elective or appointed county official that is uncompensated. CERL permits an employer to pay a member's contribution for certain benefits, as specified, and permits the retirement of certain safety members, regardless of age, if they meet specified service requirements. CERL authorizes an employer to permit active members to purchase additional nonqualified service credit and permits a new formula for calculation of retirement benefits to be applied to service already performed. CERL further permits a county or district to provide a supplemental defined benefit plan for the purpose of providing benefits in excess of specified federal standards.

This bill would amend various provisions of CERL to coordinate and subordinate that law with PEPRAs. Generally, the bill would specify that certain provisions of CERL do not apply to members who are currently subject to PEPRAs by virtue of being first employed on or after January 1, 2013. The bill would provide that provisions allowing a new formula for calculation of retirement benefits to be applied to service already performed are inoperative as of January 1, 2013, and

would prohibit the purchase of nonqualified service credit, as specified. The bill would except retirement systems established under CERL from specified provisions of PEPRA concerning the calculation and adjustment of contribution rates.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 31452 of the Government Code is
2 amended to read:

3 31452. The right of a person to a pension, annuity, retirement
4 allowance, return of contributions, the pension, annuity, or
5 retirement allowance, any optional benefit, any other right accrued
6 or accruing to any person under this chapter, the money in the fund
7 created or continued under this chapter or the California Public
8 Employees' Pension Reform Act of 2013, and any property
9 purchased for investment purposes pursuant to this chapter, are
10 exempt from taxation, including any inheritance tax, whether state,
11 county, municipal, or district. They are not subject to execution
12 or any other process of court whatsoever except to the extent
13 permitted by Section 31603 of this code and Section 704.110 of
14 the Code of Civil Procedure, and are unassignable except as
15 specifically provided in this chapter.

16 SEC. 2. Section 31452.5 of the Government Code is amended
17 to read:

18 31452.5. (a) The board may comply with and give effect to a
19 revocable written authorization signed by a retired member or
20 beneficiary of a retired member entitled to a retirement allowance
21 or benefit under this chapter or the California Public Employees'
22 Pension Reform Act of 2013, authorizing the treasurer or other
23 entity authorized by the board to deduct a specified amount from
24 the retirement allowance or benefit payable to any retired member
25 or beneficiary of a retired member for any of the following
26 purposes:

27 (1) Paying premiums on any policy or certificate of group life
28 insurance or group disability insurance issued by an admitted
29 insurer.

30 (2) Paying premiums for a prepaid group medical or hospital
31 service plan.

1 (3) Paying premiums for a vision care program or dental plan,
2 approved by the board, for the benefit of the retired member or his
3 or her dependents.

4 (4) Paying premiums on national service life insurance or United
5 States government converted insurance.

6 (5) Payment for the purchase of shares in or the payment of
7 money to any regularly chartered credit union.

8 (6) Payment to a charitable organization or a federally chartered
9 veterans' organization that is approved by the board.

10 (7) Payments to a recognized retiree organization.

11 (8) Payment for the purchase of United States savings bonds.

12 (9) The payment of personal income taxes to the government
13 of the United States or the State of California.

14 (10) Payment for any retiree benefit programs available through
15 the recognized retiree organization. The board may require that
16 this payment be to a single party designated by the recognized
17 retiree organization, either to itself or to a third-party administrator.

18 (b) Each month the order shall be drawn in favor of the insurer,
19 institution, credit union, organization, or government named in
20 the written authorization for an amount equal to the deductions
21 authorized in subdivision (a) and made during the month.

22 (c) The board may charge a reasonable fee for the making of
23 the deductions and payments.

24 SEC. 3. Section 31452.6 of the Government Code is amended
25 to read:

26 31452.6. (a) The board shall comply with and give effect to
27 a revocable written authorization signed by a retired member or
28 beneficiary of a retired member entitled to a retirement allowance
29 or benefit under this chapter or the California Public Employees'
30 Pension Reform Act of 2013, authorizing the treasurer or other
31 entity authorized by the board to deliver the monthly warrant,
32 check, or electronic fund transfer, for the retirement allowance or
33 benefit to any specified bank, savings and loan institution, or credit
34 union to be credited to the account of the retired member or
35 survivor of a deceased retired member. That delivery is full
36 discharge of the liability of the board to pay a monthly retirement
37 allowance or benefit to the retired member or survivor of a
38 deceased retired member.

39 (b) Any payments directly deposited by electronic fund transfer
40 following the date of death of a person who was entitled to receive

1 a retirement allowance or benefit under this chapter or the
2 California Public Employees' Pension Reform Act of 2013 shall
3 be refunded to the retirement system.

4 (c) In order to obtain information from a financial institution
5 following the death of a retired member or the beneficiary of a
6 retired member, as provided in subdivision (o) of Section 7480,
7 the board may certify in writing to the financial institution that the
8 retired member or the beneficiary of a retired member has died
9 and that transfers to the account of the retired member or
10 beneficiary of a retired member at the financial institution from
11 the retirement system occurred after the date of death of the retired
12 member or the beneficiary of a retired member.

13 SEC. 4. Section 31454 of the Government Code is amended
14 to read:

15 31454. (a) The board of supervisors shall, not later than 90
16 days after the beginning of the immediately succeeding fiscal year,
17 adjust the rates of interest, the rates of contributions of members,
18 and county and district appropriations in accordance with the
19 recommendations of the board, but shall not fix them in amounts
20 that reduce the individual benefits provided in this chapter or the
21 California Public Employees' Pension Reform Act of 2013.

22 (b) (1) The governing body of a district within the county
23 system that is not governed by the board of supervisors shall, not
24 later than 90 days after the beginning of the immediately
25 succeeding fiscal year, adjust the rates of contributions of district
26 members and in district appropriations in accordance with the
27 recommendations of the board, but shall not fix them in amounts
28 that reduce the individual benefits provided in this chapter or the
29 California Public Employees' Pension Reform Act of 2013.

30 (2) This subdivision shall not be operative in any county until
31 the board of supervisors, by resolution adopted by majority vote,
32 makes the provision applicable in that county.

33 SEC. 5. Section 31455 of the Government Code is amended
34 to read:

35 31455. Unless the context otherwise requires, or unless
36 superseded by any provision of the California Public Employees'
37 Pension Reform Act of 2013, the definitions and general provisions
38 contained in this article govern the construction of this chapter.

39 SEC. 6. Section 31461.6 of the Government Code is amended
40 to read:

1 31461.6. (a) “Compensation earnable” shall not include
2 overtime premium pay other than premium pay for hours worked
3 within the normally scheduled or regular working hours that are
4 in excess of the statutory maximum workweek or work period
5 applicable to the employee under Section 201 and following of
6 Title 29 of the United States Code.

7 (b) This section shall not apply to a member who is subject to
8 the California Public Employees’ Pension Reform Act of 2013.

9 SEC. 7. Section 31462 of the Government Code is amended
10 to read:

11 31462. (a) “Final compensation” means the average annual
12 compensation earnable by a member during any three years elected
13 by a member at or before the time he or she files an application
14 for retirement, or, if he or she fails to elect, during the three years
15 immediately preceding his or her retirement. If a member has less
16 than three years of service, his or her final compensation shall be
17 determined by dividing his or her total compensation by the number
18 of months of service credited to him or her and multiplying by 12.

19 (b) This section shall not apply to a member who is subject to
20 the California Public Employees’ Pension Reform Act of 2013 for
21 all or any portion of his or her membership in the county retirement
22 system.

23 SEC. 8. Section 31462.05 is added to the Government Code,
24 to read:

25 31462.05. For a member who is subject to the California Public
26 Employees’ Pension Reform Act of 2013 for all or any portion of
27 his or her membership in the county retirement system, “final
28 compensation” as defined in Section 7522.32 shall apply. If a
29 member has less than three years of service, that member’s final
30 compensation shall be determined by dividing the total
31 compensation by the number of months of service credited to the
32 member and multiplying by 12.

33 SEC. 9. Section 31462.1 of the Government Code is amended
34 to read:

35 31462.1. (a) (1) “Final compensation” means the average
36 annual compensation earnable by a member during any year elected
37 by a member at or before the time he or she files an application
38 for retirement, or, if he or she fails to elect, during the year
39 immediately preceding his or her retirement.

1 (2) This section shall not be operative in any county until such
2 time as the board of supervisors shall, by resolution adopted by a
3 majority vote, make the provisions of this section applicable in
4 such county.

5 (b) This section shall not apply to a member who is subject to
6 the California Public Employees' Pension Reform Act of 2013 for
7 all or any portion of his or her membership in the county retirement
8 system.

9 SEC. 10. Section 31462.2 of the Government Code is amended
10 to read:

11 31462.2. (a) "Final compensation" for members whose service
12 is on a tenure that is temporary, seasonal, intermittent, or for part
13 time only means one-third of the total compensation earned for
14 that period of time during which the member rendered the
15 equivalent of three years of full-time service.

16 (b) The member may elect at or before the time he or she files
17 an application for retirement the period of time during which he
18 or she has earned three full years of credit upon which final
19 compensation shall be calculated. If he or she does not so elect,
20 such period of time immediately preceding his or her retirement
21 shall be used.

22 (c) This section applies to a member meeting the conditions
23 specified in subdivision (a), whose service is described in
24 subdivision (a), and who is subject to the California Public
25 Employees' Pension Reform Act of 2013.

26 SEC. 11. Section 31479.1 of the Government Code is amended
27 to read:

28 31479.1. (a) (1) Notwithstanding Section 31479, an elective
29 or appointive county official may receive credit for service rendered
30 as a city council member even though that service was not
31 compensated.

32 (2) This section shall not be operative in any county until it is
33 adopted by a majority vote of the board of supervisors.

34 (b) This section shall not apply to service performed as an
35 elective or appointive officer that is subject to the California Public
36 Employees' Pension Reform Act of 2013.

37 SEC. 12. Section 31482.5 of the Government Code is amended
38 to read:

1 31482.5. (a) Notwithstanding any provisions to the contrary
2 in Section 20894, this section shall apply to all participants in
3 retirement systems governed by this chapter.

4 (b) A person shall not receive credit for the same service in two
5 retirement systems supported wholly or in part by public funds
6 under any circumstance.

7 (c) Nothing in this section shall preclude concurrent participation
8 and credit for service in a public retirement system and in a
9 deferred compensation plan that meets the requirements of Section
10 457 of Title 26 of the United States Code, a tax-deferred retirement
11 plan that meets the requirements of Section 401(k) of Title 26 of
12 the United States Code, or a defined contribution plan and trust
13 that meets the requirements of Section 401(a), 403(b), or 415(m)
14 of Title 26 of the United States Code.

15 (d) Nothing in this section shall preclude concurrent participation
16 and credit for service in the defined benefit plan provided under
17 this chapter and in a supplemental defined benefit plan maintained
18 by the employer that meets the requirements of Section 401(a) of
19 Title 26 of the United States Code, provided all of the following
20 conditions exist:

21 (1) The defined benefit plan provided under this chapter has
22 been designated as the employer's primary plan for the person and
23 the supplemental defined benefit plan is adopted by the governing
24 body of the employer.

25 (2) The supplemental defined benefit plan has received a ruling
26 from the Internal Revenue Service stating that the plan qualifies
27 under Section 401(a) of Title 26 of the United States Code, and
28 has furnished proof thereof to the employer.

29 (3) The person's participation in the supplemental defined
30 benefit plan does not, in any way, interfere with the person's rights
31 to membership in the defined benefit plan, or any benefit provided,
32 under this chapter.

33 (e) If any provision of this section conflicts with the California
34 Public Employees' Pension Reform Act of 2013, that provision
35 shall not apply to a member who is subject to the California Public
36 Employees' Pension Reform Act of 2013 for all or any portion of
37 his or her membership in the county retirement system.

38 SEC. 13. Section 31490.6 of the Government Code is amended
39 to read:

1 31490.6. (a) An active member may elect, by written notice
2 filed with the board, to make contributions pursuant to this section
3 and to receive up to five years of service credit in the retirement
4 system for additional retirement credit, if the member has
5 completed at least five years of credited service with that retirement
6 system.

7 (b) As used in this section, “additional retirement credit” means
8 time that does not otherwise qualify as county service, public
9 service, military service, medical leave of absence, or any other
10 time recognized for service credit by the retirement system.

11 (c) Notwithstanding any other provision of this chapter, service
12 credit for additional retirement credit may not be counted to meet
13 the minimum qualifications for service retirement or for purposes
14 of establishing eligibility for benefits based on 30 years of service,
15 additional ad hoc cost-of-living benefits based on service credit,
16 health care benefits, or any other benefits based upon service credit.

17 (d) A member who elects to make contributions and receive
18 service credit for additional retirement credit shall contribute to
19 the retirement fund, prior to the effective date of his or her
20 retirement, by lump-sum payment or by installment payments over
21 a period not to exceed 10 years, an amount that, at the time of
22 commencement of purchase, in the opinion of the board and the
23 actuary, is sufficient to not place any additional financial burden
24 upon the retirement system.

25 (e) No member may receive service credit under this section
26 for additional retirement credit that he or she has not completed
27 payment pursuant to subdivision (d) before the effective date of
28 his or her retirement or, if applicable, prior to the date provided in
29 Section 31485.8. Subject to the limitations of United States Internal
30 Revenue Service regulations, a member who has elected to make
31 payment in installments may complete payment by lump sum at
32 any time prior to the effective date of his or her retirement.

33 (f) Sums paid by a member pursuant to this section shall be
34 considered to be and administered as contributions by the member.

35 (g) This section is not operative until the board of supervisors,
36 by resolution adopted by majority vote, makes this section
37 operative in the county.

38 (h) Pursuant to Section 7522.46, this section shall apply only
39 to an application to purchase additional retirement credit that was

1 received by the retirement system prior to January 1, 2013, that is
2 subsequently approved by the system.

3 SEC. 14. Section 31499.11 of the Government Code is amended
4 to read:

5 31499.11. Unless the context otherwise requires, the definitions
6 contained in this section govern the construction of this article.

7 (a) "Board" means the board of retirement.

8 (b) "Employer" means the county or district or agency whose
9 employees are members of the retirement system of the county.

10 (c) "Federal system" means the Old Age and Survivors
11 Insurance provisions of the Social Security Act.

12 (d) "Final compensation" means the average annual
13 compensation earnable by a general member during any three
14 years, whether or not consecutive, for a person who became a
15 general member of the plan prior to January 1, 2013, or, for a
16 person who became a general member of the plan on or after
17 January 1, 2013, final compensation means the average annual
18 compensation earnable by a general member during any 36
19 consecutive months, to be elected by the member at or before the
20 time an application for retirement is filed, or, if no election is made,
21 during the three years in which the member or former member last
22 earned compensation preceding retirement. If a member or former
23 member has less than three years of service, final compensation
24 shall be determined by dividing total compensation by the number
25 of months of service credited to the member or former member
26 and multiplying by 12. In no event shall final compensation include
27 any disability benefits received by the member or former member
28 under a disability plan provided by the employer.

29 (e) "Member" or "general member" means an employee hired
30 on a permanent basis, as defined by the employer, except an
31 employee eligible for safety member.

32 (f) "Primary insurance amount" means the monthly retirement
33 benefit payable under the federal system at the age of 65.

34 (g) "Service" means the period of uninterrupted employment
35 of a member and the time in which a member or former member
36 (1) is totally disabled, and (2) is receiving disability benefits or is
37 eligible to receive disability benefits either during or after any
38 elimination or qualifying period, under a disability plan provided
39 by the employer.

1 (h) Except as otherwise provided in this article, a member shall
2 not be credited with service for any period of time in which the
3 member is absent from work without pay.

4 (i) Unless otherwise provided, service shall not include military
5 service or public service other than service with the employer.

6 SEC. 15. Section 31551 of the Government Code is amended
7 to read:

8 31551. The persons expressly declared to be ineligible to
9 membership by this article shall not become members of the
10 retirement association, and, except as expressly excluded, the
11 persons enumerated in this article or the California Public
12 Employees' Pension Reform Act of 2013 shall become members
13 of the association.

14 Persons employed as participants in a program of, and whose
15 wages are paid in whole or in part by federal funds in accordance
16 with, the Comprehensive Employment and Training Act of 1973
17 (Public Law 93-203), as amended, are excluded from membership.
18 This exclusion shall not apply to active fire suppression personnel
19 who are safety members pursuant to Sections 31469.3 and 31470.4.

20 SEC. 16. Section 31581.1 of the Government Code is amended
21 to read:

22 31581.1. (a) The board of supervisors may elect to pay up to
23 one-half of the contributions normally required of members for
24 any period of time designated in the resolution providing for such
25 payment. The payments shall not become part of the accumulated
26 contributions of the member. These payments may be made with
27 respect to employees in one or more bargaining units irrespective
28 of whether they are made with respect to other employees.

29 (b) This section shall not apply to members who are subject to
30 Section 7522.30.

31 SEC. 17. Section 31581.2 of the Government Code is amended
32 to read:

33 31581.2. (a) The board of supervisors or the governing body
34 of the district may agree to pay any portion of the contributions
35 required to be paid by a member. All payments shall be in lieu of
36 wages and shall be reported simply as normal contributions and
37 shall be credited to member accounts.

38 (b) The enactment of a resolution pursuant to this section shall
39 not create vested rights in any member. The board of supervisors
40 or the governing body of the district may amend or repeal the

1 resolution at any time, subject to the provisions of Sections 3504
2 and 3505, or any similar rule or regulation of the county or district.

3 (c) This section shall not apply to members who are subject to
4 Section 7522.30.

5 SEC. 18. Section 31620.5 is added to the Government Code,
6 to read:

7 31620.5. The normal rates of contribution of general and safety
8 members subject to the California Public Employees' Pension
9 Reform Act of 2013 shall be determined pursuant to Section
10 7522.30 subject to the following exceptions:

11 (a) The board may, but is not required to, apply the provisions
12 of subdivision (c) of Section 7522.30 that require the initial
13 contribution rate to be rounded to the nearest quarter of 1 percent.

14 (b) Subdivision (d) of Section 7522.30 shall not apply to the
15 contribution rates of members of retirement systems established
16 pursuant to this chapter.

17 SEC. 19. Section 31625.2 of the Government Code is amended
18 to read:

19 31625.2. (a) Notwithstanding any other provisions of this
20 chapter, contributions shall not be deducted from the salary of any
21 member having credit for 30 years' service providing the member
22 was a member on March 7, 1973, and remained in membership
23 continuously until credited with 30 years' service.

24 (b) Notwithstanding subdivision (a), contributions shall not be
25 deducted from the salary of any member having credit for 30 years'
26 of continuous service in the retirement association of a county of
27 the seventh class as established by Sections 28020 and 28028. This
28 subdivision shall not apply to a member who is subject to the
29 provisions of the California Public Employees' Pension Reform
30 Act of 2013.

31 SEC. 20. Section 31625.3 of the Government Code is amended
32 to read:

33 31625.3. (a) Notwithstanding any other provision of this
34 chapter, contributions shall not be deducted from the salary of any
35 member who was a member before or after March 7, 1973, of the
36 retirement association, another county retirement system
37 established under this chapter, or the Public Employees' Retirement
38 System, and has total reciprocal service credit of not less than 30
39 years in the retirement association, or in the retirement association
40 and another county retirement system established under this

1 chapter, or the Public Employees' Retirement System, or a
2 combination thereof.

3 (b) This section shall not apply in any county unless and until
4 it is adopted by a majority vote of the board of supervisors.

5 (c) This section shall not apply to members who are subject to
6 Section 7522.30.

7 SEC. 21. Section 31630 of the Government Code is amended
8 to read:

9 31630. (a) Notwithstanding any other provisions in this
10 chapter, the South Coast Air Quality Management District and in
11 any county which has adopted Section 31676.1, 31676.11,
12 31676.12, 31676.13, 31676.14, 31676.15, or 31751, the board of
13 supervisors or district board, as the case may be, may agree to pay
14 any portion of the members' normal contributions to the system.
15 All the contributions paid by the county or district, as the case may
16 be, shall remain its contributions, and no right therein shall accrue
17 to any employee prior to the employee's election to take a regular,
18 deferred, or disability retirement.

19 (b) Any contributions paid by the board of supervisors or the
20 district board on behalf of the members shall be as determined by
21 upon actuarial advice, and approved by the board of retirement.

22 (c) This section shall not apply to members who are subject to
23 Section 7522.30.

24 SEC. 22. Section 31639.85 of the Government Code is amended
25 to read:

26 31639.85. (a) Notwithstanding any other provisions in this
27 chapter, in any county which has adopted Section 31676.1,
28 31676.11, 31676.12, 31676.13, 31676.14, or 31676.15 the board
29 of supervisors may agree to pay any portion of the safety members'
30 normal contributions to the system. All contributions paid by the
31 county shall remain county contributions, and no right therein shall
32 accrue to any employee prior to the employee's election to take a
33 regular, deferred, or disability retirement.

34 (b) Any contributions paid by the board of supervisors on behalf
35 of the safety members shall be as determined upon actuarial advice,
36 and approved by the board of retirement.

37 (c) This section shall not apply to members who are subject to
38 Section 7522.30.

39 SEC. 23. Section 31658 of the Government Code is amended
40 to read:

1 31658. (a) An active member may elect, by written notice
2 filed with the board, to make contributions pursuant to this section
3 and to receive up to five years of service credit in the retirement
4 system for additional retirement credit, if the member has
5 completed at least five years of credited service with that retirement
6 system.

7 (b) As used in this section, “additional retirement credit” means
8 time that does not otherwise qualify as county service, public
9 service, military service, medical leave of absence, or any other
10 time recognized for service credit by the retirement system.

11 (c) Notwithstanding any other provision of this chapter, service
12 credit for additional retirement credit may not be counted to meet
13 the minimum qualifications for service or disability retirement or
14 for purposes of establishing eligibility for any benefits based on
15 30 years of service, additional ad hoc cost-of-living benefits based
16 on service credit, health care benefits, or any other benefits based
17 upon service credit.

18 (d) Any member who elects to make contributions and receive
19 service credit for additional retirement credit shall contribute to
20 the retirement fund, prior to the effective date of his or her
21 retirement, by lump-sum payment or by installment payments over
22 a period not to exceed 10 years, an amount that, at the time of
23 commencement of purchase, in the opinion of the board and the
24 actuary, is sufficient to not place any additional financial burden
25 upon the retirement system.

26 (e) No member may receive service credit under this section
27 for any additional retirement credit for which he or she has not
28 completed payment pursuant to subdivision (d) before the effective
29 date of his or her retirement. Subject to the limitations of United
30 States Internal Revenue Service regulations, a member who has
31 elected to make payment in installments may complete payment
32 by lump sum at any time prior to the effective date of his or her
33 retirement.

34 (f) Any sums paid by a member pursuant to this section shall
35 be considered to be and administered as contributions by the
36 member.

37 (g) This section is not operative in any county until the board
38 of supervisors, by resolution adopted by majority vote, makes this
39 section applicable in the county.

1 (h) Pursuant to Section 7522.46, this section shall apply only
2 to an application to purchase additional retirement credit that was
3 received by the retirement system prior to January 1, 2013, that is
4 subsequently approved by the system.

5 SEC. 24. Section 31662.2 of the Government Code is amended
6 to read:

7 31662.2. Retirement of a safety member in a county subject
8 to the provisions of Section 31676.1, or of Section 31695.1, if
9 applicable, who has met the requirements for age and service shall
10 be made by the board pursuant to this article or pursuant to the
11 California Public Employees' Pension Reform Act of 2013,
12 whichever is applicable.

13 SEC. 25. Section 31663.25 of the Government Code is amended
14 to read:

15 31663.25. (a) Except as provided in Section 31663.26, a safety
16 member who has reached the applicable compulsory age of
17 retirement, if any, or a safety member who has completed 10 years
18 of continuous service and who has reached the age of 50, or a
19 safety member who has completed 20 years of service regardless
20 of age, may be retired upon filing with the board a written
21 application setting forth the date upon which the member desires
22 his or her retirement to become effective which shall be not more
23 than 60 days after the date of filing the application.

24 (b) This section shall not apply to a member who is subject to
25 the provisions of the California Public Employees' Pension Reform
26 Act of 2013 (Article 4 (commencing with Section 7522) of Chapter
27 21 of Division 7 of Title 1) for all or any portion of that member's
28 membership in the county retirement system.

29 SEC. 26. Section 31663.26 of the Government Code is amended
30 to read:

31 31663.26. (a) Notwithstanding Section 31663.25, a safety
32 member who has reached the applicable compulsory age of
33 retirement, if any, or a safety member who is a full-time employee,
34 has completed 10 years of service, has reached the age of 50, and
35 has no service break which exceeds 12 months, or a safety member
36 who has completed 20 years of service regardless of age, may be
37 retired upon filing with the board a written application setting forth
38 the date upon which the member desires his or her retirement to
39 become effective which shall be not more than 60 days after the
40 date of filing the application.

1 (b) This section shall not be operative in any county until such
2 time as the board of supervisors shall, by ordinance, make this
3 section applicable in the county.

4 (c) This section shall not apply to a member who is subject to
5 the provisions of the California Public Employees' Pension Reform
6 Act of 2013 for all or any portion of his or her membership in the
7 county retirement system.

8 SEC. 27. Section 31664.5 of the Government Code is amended
9 to read:

10 31664.5. (a) Notwithstanding any other provisions of this
11 chapter, a safety member may exercise the option of retiring upon
12 completion of 25 years of service, and if such option is exercised,
13 the safety member shall receive a retirement allowance equal to
14 no less than 30 percent of his or her final compensation.

15 (b) This section shall not apply to a member who is subject to
16 the provisions of the California Public Employees' Pension Reform
17 Act of 2013 for all or any portion of his or her membership in the
18 county retirement system.

19 SEC. 28. Section 31670 of the Government Code is amended
20 to read:

21 31670. Retirement of a member who has met the requirements
22 for age and service shall be made by the board pursuant to this
23 article or pursuant to the California Public Employees' Pension
24 Reform Act of 2013, whichever is applicable.

25 SEC. 29. Section 31671 of the Government Code is amended
26 to read:

27 31671. (a) The amount of compensation that is taken into
28 account in computing benefits payable to any person who first
29 becomes a member of the retirement system on or after July 1,
30 1996, shall not exceed the limitations in Section 401(a)(17) of
31 Title 26 of the United States Code upon public retirement systems,
32 as that section may be amended from time to time and as that limit
33 may be adjusted by the Commissioner of Internal Revenue for
34 increases in cost of living. The determination of compensation for
35 each 12-month period shall be subject to the annual compensation
36 limit in effect for the calendar year in which the 12-month period
37 begins. In a determination of average annual compensation over
38 more than one 12-month period, the amount of compensation taken
39 into account for each 12-month period shall be subject to the
40 applicable annual compensation limit.

1 (b) The compensation limitations specified in Section 7522.10
2 shall also apply to a member who is subject to the provisions of
3 the California Public Employees' Pension Reform Act of 2013 for
4 all or any portion of his or her membership in the county retirement
5 system.

6 SEC. 30. Section 31672 of the Government Code is amended
7 to read:

8 31672. (a) A member who has reached 70 years of age or a
9 member who has completed 10 years of service and who has
10 reached 55 years of age, or a member who has completed 30 years
11 of service regardless of age, may be retired upon filing with the
12 board a written application, setting forth the date upon which he
13 or she desires his or her retirement to become effective not earlier
14 than the date the application is filed with the board and not more
15 than 60 days after the date of filing the application. Fifty-five years
16 of age in the preceding sentence may be reduced to 50 years of
17 age in a county by resolution of the board of supervisors.

18 (b) This section shall not apply to any member who is subject
19 to the provisions of the California Public Employees' Pension
20 Reform Act of 2013 (Article 4 (commencing with Section 7522)
21 of Chapter 21 of Division 7 of Title 1) for all or any portion of that
22 member's membership in the county retirement system.

23 SEC. 31. Section 31672.1 of the Government Code is amended
24 to read:

25 31672.1. (a) An employee who has reached the age of 55 years,
26 has held a position in the county service for 10 years, and on the
27 date of retirement is employed in a temporary, seasonal,
28 intermittent, or part-time position in which the employee has
29 received credit for five full years of service, may be retired upon
30 filing with the board a written application, setting forth the date
31 upon which the employee desires his or her retirement to become
32 effective which shall not be more than 60 days after the date of
33 filing the application. The age of 55 in the preceding sentence may
34 be reduced to age 50 in any county by resolution of the board of
35 supervisors if such reduction has also been made under Section
36 31672.

37 (b) This section shall not apply to a member who is subject to
38 the provisions of the California Public Employees' Pension Reform
39 Act of 2013 for all or any portion of his or her membership in the
40 county retirement system.

1 SEC. 32. Section 31672.2 of the Government Code is amended
2 to read:

3 31672.2. (a) An elective officer who filed a declaration with
4 the board to become a member, pursuant to Section 31553, who
5 has served two complete consecutive terms in an elective office,
6 and who has reached the minimum age for retirement provided in
7 Section 31672, may be retired upon filing with the board a written
8 application setting forth the date upon which he or she desires his
9 or her retirement to become effective which shall be not more than
10 60 days after the date of filing the application.

11 (b) This section shall become operative only in any county of
12 the 16th class, as defined by Section 28020 and 28037, as amended
13 by Chapter 1204 of the Statutes of 1971, and on the first day of
14 the calendar month after the board of supervisors adopts a
15 resolution making it operative in the county.

16 (c) This section shall not apply to an elective officer who is
17 subject to the provisions of the California Public Employees'
18 Pension Reform Act of 2013 for all or any portion of his or her
19 membership in the county retirement system.

20 SEC. 33. Section 31672.3 is added to the Government Code,
21 to read:

22 31672.3. A member of a county retirement system who is
23 subject to the California Public Employees' Pension Reform Act
24 of 2013 (Article 4 (commencing with Section 7522) of Chapter
25 21 of Division 7 of Title 1) for all or a portion of the member's
26 membership in the county retirement system who has completed
27 five years of service and has reached the minimum retirement age
28 applicable to that member under the act, or has reached 70 years
29 of age, may be retired upon filing with the board a written
30 application, setting forth the date upon which the member desires
31 his or her retirement to become effective which shall be not more
32 than 60 days after the date of filing the application.

33 SEC. 34. Section 31678.2 of the Government Code is amended
34 to read:

35 31678.2. (a) Notwithstanding Section 31678 or any other
36 provision of this chapter, a board of supervisors or a governing
37 body of a district may, by resolution adopted by majority vote,
38 make any section of this chapter prescribing a formula for
39 calculation of retirement benefits applicable to service credit earned

1 on and after the date specified in the resolution, which date may
2 be earlier than the date the resolution is adopted.

3 (b) A resolution adopted pursuant to this section may, if
4 approved in a memorandum of understanding executed by the
5 board of supervisors and the employee representatives, require
6 members to pay all or part of the contributions by a member or
7 employer, or both, that would have been required if the section or
8 sections specified in subdivision (a), as adopted by the board or
9 governing body, had been in effect during the period of time
10 designated in the resolution. The payment by a member shall
11 become part of the accumulated contributions of the member.

12 (c) This section shall only be applicable to members who retire
13 on or after the effective date of the resolution described in
14 subdivision (a).

15 (d) On or after January 1, 2013, this section is inoperative
16 pursuant to Section 7522.44.

17 SEC. 35. Section 31678.3 of the Government Code is amended
18 to read:

19 31678.3. (a) Notwithstanding any other provision of this
20 chapter, a resolution adopted by a board of supervisors to make
21 any formula for calculation of retirement benefits described in this
22 section applicable to the employees of the county does not apply
23 to make that formula applicable to the employees of any district
24 within the county. The governing body of a district may elect, by
25 resolution adopted by majority vote, to make any formula for
26 calculation of retirement benefits described in this section
27 applicable to the employees of the district irrespective of whether
28 the board of supervisors has made that election with respect to
29 employees of the county.

30 (b) Notwithstanding any other provision of this chapter, the
31 board of supervisors or the governing body of a district may, by
32 resolution adopted by majority vote, pursuant to a memorandum
33 of understanding made under the Meyers-Milias-Brown Act
34 (Chapter 10 (commencing with Section 3500) of Division 4 of
35 Title 2), do any or all of the following:

36 (1) Apply Section 31621.8, 31676.17, 31676.18, or 31676.19
37 for the calculation of retirement benefits for general members to
38 the employees in a bargaining unit comprised of general members.

1 (2) Apply Section 31664.1 for the calculation of retirement
2 benefits for safety members to the employees in a bargaining unit
3 comprised of safety members.

4 (3) Apply Section 31664 for the calculation of retirement
5 benefits for safety members to the employees of the Probation
6 Services Unit and the Probation Supervisory Management Unit.

7 (c) Any nonrepresented employees within similar job
8 classifications as employees in a bargaining unit described in
9 subdivision (b) or supervisors and managers thereof shall be subject
10 to the same formula for the calculation of retirement benefits
11 applicable to the employees in that bargaining unit.

12 (d) A resolution adopted pursuant to subdivision (b) may require
13 members to pay a portion of the contributions attributable to past
14 service liability, that would have been required if the benefits
15 specified in the resolution, as adopted by the board of supervisors
16 or the governing body of the district, had been in effect during the
17 period of time designated in the resolution. Any payments required
18 of represented employees shall first be approved in a memorandum
19 of understanding made under the Meyers-Milias-Brown Act and
20 executed by the board of supervisors or the governing body of the
21 district and the employee representatives. The contributions paid
22 by a member pursuant to this subdivision shall become part of the
23 accumulated contributions of the member.

24 (e) This section shall only be applicable to members who retire
25 on or after the effective date of the resolution described in
26 subdivision (b).

27 (f) The board of supervisors or the governing body of a district
28 may not unilaterally implement a retirement formula for any of its
29 bargaining units.

30 (g) This section shall apply only in Orange County.

31 (h) Beginning January 1, 2013, if any provision of this section
32 conflicts with the California Public Employees' Pension Reform
33 Act of 2013, the provisions of that act shall prevail.

34 SEC. 36. Section 31678.31 of the Government Code is amended
35 to read:

36 31678.31. (a) Notwithstanding any other provision of this
37 chapter, the board of supervisors or the governing body of a district
38 within the county may, by resolution adopted by majority vote, do
39 the following:

1 (1) Require an employee hired after approval of the resolution,
2 to elect in writing, either the pension calculation stated in Section
3 31676.19 or the pension calculation stated in Section 31676.01.
4 The election shall be made within 45 calendar days of beginning
5 employment with the county or the district. If an employee does
6 not elect the pension calculation stated in Section 31676.19 within
7 45 days of beginning employment, the employee shall be deemed
8 to have elected the pension calculation stated in Section 31676.01.
9 An employee shall not be permitted to rescind his or her election
10 unless the board of supervisors or the governing body of a district,
11 through the adoption of a subsequent ordinance or resolution by
12 majority vote, makes a provision permitting the employee to
13 rescind the election applicable to the county or district.

14 (2) Require a current employee of the county or district covered
15 by the pension calculation stated in Section 31676.19, hired before
16 approval of the resolution, within 180 calendar days of approval
17 of the resolution to make, at the employee's option, a one-time
18 written election to terminate the application of the pension
19 calculation stated in Section 31676.19 for future service and elect
20 instead the pension calculation stated in Section 31676.01 for
21 future service. This election shall be signed by the employee. Prior
22 to signing an election, a current employee who chooses to terminate
23 the pension calculation stated in Section 31676.19 and elects
24 instead the pension calculation stated in Section 31676.01, shall
25 be provided by the county or district governing body with a written
26 explanation of the effect and impact of the termination. A current
27 employee who chooses to terminate the pension calculation stated
28 in Section 31676.19 shall be required to sign an affidavit stating
29 that the employee has been fully informed regarding the effect of
30 the termination and understands that the termination is irrevocable.
31 The affidavit shall also state that the employee has chosen
32 termination of his or her own free will and was not coerced into
33 termination by the employer or any other person. An employee
34 shall not be permitted to rescind his or her election unless the board
35 of supervisors or the governing body of a district, through the
36 adoption of a subsequent ordinance or resolution by majority vote,
37 makes a provision permitting the employee to rescind the election
38 applicable to the county or district.

39 (3) Require a current employee of the county or district, hired
40 before approval of the resolution, but not covered by the pension

1 calculation stated in Section 31676.19, who after approval of the
2 resolution becomes eligible for the pension calculation stated in
3 Section 31676.19, to make a one-time written election between
4 the pension calculation stated in Section 31676.19 for future service
5 and the pension calculation stated in Section 31676.01 for future
6 service. The election shall be made within 45 calendar days of
7 becoming eligible for the pension calculation stated in Section
8 31676.19. The election shall be signed by the employee. Prior to
9 signing the election, an employee who does not elect the pension
10 calculation stated in Section 31676.19 and elects instead the
11 pension calculation stated in Section 31676.01 shall be provided
12 by the county or the district governing body with a written
13 explanation of the effect and impact of the election. An employee
14 who does not choose the pension calculation stated in Section
15 31676.19 shall be required to sign an affidavit stating that the
16 employee has been fully informed regarding the effect of the
17 election and understands that the election is irrevocable. The
18 affidavit shall also state that the employee has chosen the election
19 of his or her own free will and was not coerced into the election
20 by the employer or any other person. An employee shall not be
21 permitted to rescind his or her election unless the board of
22 supervisors or the governing body of a district, through the
23 adoption of a subsequent ordinance or resolution by majority vote,
24 makes a provision permitting the employee to rescind the election
25 applicable to the county or district. Failure to make an election
26 within 45 calendar days shall be considered cause for termination
27 of employment until the employee described in this paragraph has
28 made the required election.

29 (b) The retirement allowance for service rendered prior to the
30 effective date of the election under paragraph (2) or (3) of
31 subdivision (a) for an employee covered by any other pension
32 calculation shall be calculated under the employee's prior pension
33 calculation. Any employee who has made an election shall not be
34 eligible for retirement unless the employee meets the minimum
35 requirements of the provision or provisions pursuant to the election
36 applicable at the date of retirement.

37 (c) (1) An election for the pension calculation stated in Section
38 31676.01 by any employee hired before approval of the resolution
39 shall include the signature of the designated beneficiary of the
40 employee's pension acknowledging the election, or shall include

1 a written declaration of one or more of the following as may be
2 applicable:

3 (A) The beneficiary has no identifiable community property
4 interest in the benefit.

5 (B) The employee does not know, and has taken all reasonable
6 steps to determine, the whereabouts of the beneficiary.

7 (C) The beneficiary has been advised of the election and has
8 refused to sign the written acknowledgment.

9 (D) The beneficiary is incapable of executing the
10 acknowledgment because of an incapacitating mental or physical
11 condition.

12 (2) The purpose of this subdivision is to notify the beneficiary,
13 including the employee's spouse or domestic partner, of an election
14 made by the employee that may affect the entitlement of the
15 beneficiary. In addition to the foregoing, if the designated
16 beneficiary of an employee's pension is a spouse or domestic
17 partner of the employee, the election shall also evidence agreement
18 to the election by the spouse or domestic partner.

19 (3) A person who knowingly provides false information in the
20 written declaration submitted pursuant to paragraph (1) shall be
21 subject to a civil penalty of not less than one thousand dollars
22 (\$1,000) and not more than twenty-five thousand dollars (\$25,000),
23 in addition to any civil remedies available to the board. An action
24 to impose a civil penalty pursuant to this paragraph may be brought
25 by any public prosecutor in the name of the people of the state.

26 (d) In the event the employee elects the pension calculation
27 stated in Section 31676.01, the employee shall be eligible to receive
28 a contribution from the county or district based on the employee's
29 contribution to a defined contribution program.

30 (e) In addition to employees represented by bargaining units,
31 any other employees not represented by a bargaining unit, as well
32 as supervisors, managers, and executives, may be subject to
33 subdivision (a) pursuant to the resolution described in subdivision
34 (a).

35 (f) This section shall apply only to members who retire on or
36 after the effective date of the resolution described in subdivision
37 (a).

38 (g) This section shall not apply to safety members.

39 (h) A resolution adopted by the board of supervisors under
40 subdivision (a) shall not apply to the employees of any district

1 within the county. The governing body of a district may elect, by
2 resolution adopted by majority vote, to make this section applicable
3 to the employees of the district irrespective of whether the board
4 of supervisors has made that election applicable to employees in
5 the county.

6 (i) A resolution adopted pursuant to this section may require
7 any member that elects or is deemed to have elected the pension
8 calculation stated in Section 31676.01 to pay additional member
9 contributions beyond those member contributions required under
10 Section 31621. These additional contributions shall not result in
11 an additional benefit to the member. However, the additional
12 contributions paid by a member pursuant to the authority granted
13 by this subdivision shall become part of the accumulated
14 contributions of the member for the following purposes only:

15 (1) Funding the annuity portion of the member's retirement
16 allowance.

17 (2) Withdrawal of contributions by the member upon the
18 member's withdrawal from, and termination of membership in,
19 the retirement system.

20 (j) Any person employed subsequent to the effective date of a
21 resolution adopted under subdivision (a) who would otherwise
22 qualify as a member shall not become a member until he or she
23 certifies his or her election, or otherwise as described above has
24 been deemed to have elected, to be covered by the pension
25 calculation stated in Section 31676.01 or the pension calculation
26 stated in Section 31676.19. Once the election is made or is deemed
27 to have been made, the employee will become a member retroactive
28 to the date of hire. Any employee who subsequently otherwise
29 becomes eligible for the pension calculation stated in Section
30 31676.19 subsequent to the effective date of a resolution adopted
31 under subdivision (a) shall continue to be covered by any
32 immediately preceding retirement plan to which he or she was
33 entitled from the county or district until he or she certifies his or
34 her election to be covered by the pension calculation stated in
35 Section 31676.01 or the pension calculation stated in Section
36 31676.19.

37 (k) In the event that the final day to make an election or perform
38 an act described in this section falls on a weekend or on a county
39 or district holiday, a subsequent election or act shall be timely if

1 made or performed on the immediately following regular business
2 day of the county or district.

3 (l) This section shall apply only in Orange County.

4 (m) Beginning January 1, 2013, if any provision of this section
5 conflicts with the California Public Employees' Pension Reform
6 Act of 2013, the provisions of that act shall prevail.

7 SEC. 37. Section 31680 of the Government Code is amended
8 to read:

9 31680. (a) A member retired for service or disability shall not
10 be paid for any service rendered by him or her to the county or
11 district after the date of his or her retirement, except:

12 (1) As specifically provided in this chapter.

13 (2) Pursuant to Section 31733.

14 (3) The county or district may pay and the retired member may
15 receive:

16 (A) Rewards for ideas or suggestions made by the retired
17 member for the improvement of county or district activities.

18 (B) Compensation for his or her services on the board.

19 (4) If the member is subsequently elected to county office after
20 retirement.

21 (b) As herein used the term "services rendered" shall refer to
22 service rendered as an officer or employee of the county or district
23 and shall not refer to services performed by a retired officer or
24 employee as an independent contractor engaged by a county or
25 district under a bona fide contract for services within the purview
26 of Section 31000 of this code.

27 (c) Beginning January 1, 2013, if any provision of this section
28 conflicts with the California Public Employees' Pension Reform
29 Act of 2013, the provisions of that act shall prevail.

30 SEC. 38. Section 31680.1 of the Government Code is amended
31 to read:

32 31680.1. (a) Any person who has retired under this chapter
33 may, without reinstatement from retirement or loss or interruption
34 of benefits under this chapter, serve as a juror, election officer,
35 field deputy for registration of voters, member of the board of the
36 association or temporarily as a judge when assigned by the
37 Chairman of the Judicial Council and receive any fees payable for
38 that service.

(b) Beginning January 1, 2013, if any provision of this section conflicts with the California Public Employees' Pension Reform Act of 2013, the provisions of that act shall prevail.

SEC. 39. Section 31680.2 of the Government Code is amended to read:

31680.2. (a) Any person who has retired may be employed in a position requiring special skills or knowledge, as determined by the county or district employing him or her, for not to exceed 90 working days or 720 hours, whichever is greater, in any one fiscal year or any other 12-month period designated by the board of supervisors and may be paid for that employment. That employment shall not operate to reinstate the person as a member of this system or to terminate or suspend his or her retirement allowance, and no deductions shall be made from his or her salary as contributions to this system.

(b) (1) This section shall not apply to any retired person who is otherwise eligible for employment under this section if, during the 12-month period prior to an appointment described in this section, that retired person receives unemployment insurance compensation arising out of prior employment subject to this section with the same employer.

(2) A retired person who accepts an appointment after receiving unemployment insurance compensation as described in this subdivision shall terminate that employment on the last day of the current pay period and shall not be eligible for reappointment subject to this section for a period of 12 months following the last day of employment.

(3) Beginning January 1, 2013, if any provision of this section conflicts with the California Public Employees' Pension Reform Act of 2013, the provisions of that act shall prevail, except that the limit on postretirement employment provided in subdivision (a) to the greater of 90 working days or 720 hours shall remain effective.

SEC. 40. Section 31680.3 of the Government Code is amended to read:

31680.3. (a) Notwithstanding Section 31680.2, any member who has been covered under the provisions of Section 31751 and has retired may be reemployed in a position requiring special skills or knowledge, as determined by the county or district employing the member, for not to exceed 120 working days or 960 hours,

1 whichever is greater, in any one fiscal year and may be paid for
2 that employment. That employment shall not operate to reinstate
3 the person as a member of this system or to terminate or suspend
4 the person's retirement allowance, and no deductions shall be made
5 from the person's salary as contributions to this system.

6 (b) (1) This section shall not apply to any retired member who
7 is otherwise eligible for reemployment under this section if, during
8 the 12-month period prior to an appointment described in this
9 section, that retired person receives unemployment insurance
10 compensation arising out of prior employment subject to this
11 section with the same employer.

12 (2) A retired person who accepts an appointment after receiving
13 unemployment insurance compensation as described in this
14 subdivision shall terminate that employment on the last day of the
15 current pay period and shall not be eligible for reappointment
16 subject to this section for a period of 12 months following the last
17 day of employment.

18 (c) Beginning January 1, 2013, if any provision of this section
19 conflicts with the California Public Employees' Pension Reform
20 Act of 2013, the provisions of that act shall prevail.

21 SEC. 41. Section 31680.6 of the Government Code is amended
22 to read:

23 31680.6. (a) Notwithstanding Section 31680.2, any county
24 subject to Section 31680.2 may, upon adoption of a resolution by
25 a majority vote by the board of supervisors, extend the period of
26 time provided for in Section 31680.2 for which a person who has
27 retired may be employed in a position requiring special skills or
28 knowledge, as determined by the county or district employing him
29 or her, to not to exceed 120 working days or 960 hours, whichever
30 is greater, in any one fiscal year or any other 12-month period
31 designated by the board of supervisors and may be paid for that
32 employment. That employment shall not operate to reinstate the
33 person as a member of this system or to terminate or suspend his
34 or her retirement allowance, and no deductions shall be made from
35 his or her salary as contributions to this system.

36 (b) (1) This section shall not apply to any retired person who
37 is otherwise eligible for employment under this section if, during
38 the 12-month period prior to an appointment described in this
39 section, that retired person receives unemployment insurance

1 compensation arising out of prior employment subject to this
2 section with the same employer.

3 (2) A retired person who accepts an appointment after receiving
4 unemployment insurance compensation as described in this
5 subdivision shall terminate that employment on the last day of the
6 current pay period and shall not be eligible for reappointment
7 subject to this section for a period of 12 months following the last
8 day of employment.

9 (c) Beginning January 1, 2013, if any provision of this section
10 conflicts with the California Public Employees' Pension Reform
11 Act of 2013, the provisions of that act shall prevail.

12 SEC. 42. Section 31685.01 is added to the Government Code,
13 to read:

14 31685.01. Benefits enumerated in this article shall be
15 determined in accordance with the provisions of this chapter or
16 the California Public ~~Employee's~~ *Employees'* Pension Reform Act
17 of 2013, whichever is applicable.

18 SEC. 43. Section 31705 of the Government Code is amended
19 to read:

20 31705. The retirement allowance shall be calculated according
21 to the provisions of this chapter, or the California Public
22 Employees' Pension Reform Act of 2013, whichever is applicable,
23 as they exist at the time of the commencement of the retirement
24 allowance.

25 SEC. 44. Section 31835 of the Government Code is amended
26 to read:

27 31835. The average compensation during any period of service
28 as a member of the Public Employees' Retirement System, a
29 member of the Judges' Retirement System or Judges' Retirement
30 System II, a member of a retirement system established under this
31 chapter in another county, a member of the State Teachers'
32 Retirement System, or a member of a retirement system of any
33 other public agency of the state that has established reciprocity
34 with the Public Employees' Retirement System subject to the
35 conditions of Section 31840.2, shall be considered compensation
36 earnable or pensionable compensation pursuant to Section 7522.34,
37 whichever is applicable, by a member for purposes of computing
38 final compensation for that member provided:

39 (H)

1 (a) The period intervening between active memberships in the
2 respective systems does not exceed 90 days, or 6 months if Section
3 31840.4 applies. That period shall not include any time during
4 which the member was prohibited by law from becoming a member
5 of the system of another county.

6 Notwithstanding anything in this chapter to the contrary, the
7 90-day or 6-month restriction referred to in this section or any
8 other provision of this chapter—~~effecting~~ *affecting* deferred
9 retirement shall not be applicable to any members who left county
10 or district service prior to October 1, 1949, and subsequently
11 redeposited.

12 (2)

13 (b) He or she retires concurrently under both systems and is
14 credited with the period of service under that other system at the
15 time of retirement.

16 The provisions of this section shall be applicable to all members
17 and beneficiaries of the system.

18 SEC. 45. Section 31836 of the Government Code is amended
19 to read:

20 31836. “Service,” solely for purposes of qualification for
21 payment of benefits and retirement allowances, shall also include
22 service as an employee of the state or a contracting agency under
23 the Public Employees’ Retirement System or of another county
24 having a retirement system established under this chapter, or as a
25 member of the State Teachers’ Retirement System, or as a member
26 of a retirement system of any other public agency of the state that
27 has established reciprocity with the Public Employees’ Retirement
28 System subject to the conditions of Section 31840.2, if the
29 compensation for such service constitutes compensation earnable
30 or pensionable compensation pursuant to Section 7522.34,
31 whichever is applicable, by a member under Section 31835 of this
32 part.

33 No credit shall be granted in this retirement system for service
34 for which the member has received credit in another retirement
35 system or for which he or she is presently receiving a retirement
36 allowance from another retirement system.

37 SEC. 46. Section 31839 of the Government Code is amended
38 to read:

39 31839. Upon the death before retirement of a member, while
40 in service as a member of the Public Employees’ Retirement

1 System or a retirement system established pursuant to this chapter
2 in another county, who has made an election pursuant to Section
3 31700 and 31832, the death benefit provided in Section 31781
4 payable by the system from which he or she elected deferred
5 retirement shall consist of:

6 (a) When death is not the result of a disease or injury arising
7 out of and in the course of employment, the amount of such death
8 benefit shall not exceed an amount which when added to the death
9 benefit payable for the member under such other system will equal
10 the total of the accumulated contributions to both systems plus 50
11 percent of the annual compensation earnable or pensionable
12 compensation pursuant to Section 7522.34, whichever is applicable,
13 by the deceased during the 12 months immediately preceding his
14 or her death.

15 (b) When death is the result of disease or injury arising out of
16 and in the course of his or her employment as a member of such
17 other system, such death benefit shall consist solely of the
18 member's accumulated contributions.

19 SEC. 47. Section 31873 of the Government Code is amended
20 to read:

21 31873. (a) Any increases in contributions shall be shared
22 equally between the county or district and the contributing
23 members, with the individual member's contributions based upon
24 the member's age at his or her nearest birthday at time of entrance
25 into the retirement system or based on a single rate of contributions
26 pursuant to Section 31621.11, ~~31629.26~~ 31639.26, or as otherwise
27 authorized by this chapter or the California Public Employees'
28 Pension Reform Act of 2013. The board of supervisors by a
29 majority vote may elect to pay part of the costs of the contributions
30 which would otherwise be assessed to the individual members.

31 (b) Notwithstanding subdivision (a), pursuant to Section
32 7522.30, the board of supervisors shall not pay any part of the
33 costs of the member contributions of new members as defined in
34 subdivision (f) of Section 7522.04.

35 SEC. 48. Section 31873.1 of the Government Code is amended
36 to read:

37 31873.1. (a) Any cost-of-living contributions required for
38 benefits under Section 31870.3 shall be shared equally between
39 the county or district and the contributing members. The individual
40 member's contributions shall be based upon the member's age at

the member's nearest birthday at time of entrance into the retirement system, and shall be expressed as a percentage of the member's normal contribution rate. The board of supervisors by a majority vote may elect to pay all or part of the costs of the contributions which would otherwise be assessed to the individual members.

(b) Notwithstanding subdivision (a), pursuant to Section 7522.30, the board of supervisors shall not pay any part of the costs of the member contributions of new members as defined in subdivision (f) of Section 7522.04.

(c) Until revised by subsequent actuarial studies, the member's cost-of-living contribution rate shall be 39.57 percent of the member's normal contribution rate. These initial cost-of-living contribution rates are shown in the following table, according to the member's age at the time of entry into the system:

Age of entry into system	Percentage of contribution
16	1.16
17	1.16
18	1.16
19	1.16
20	1.16
21	1.16
22	1.16
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30	1.20
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36	1.25
37	1.26

1	38	1.27
2	39	1.28
3	40	1.29
4	41	1.30
5	42	1.31
6	43	1.32
7	44	1.33
8	45	1.34
9	46	1.36
10	47	1.37
11	48	1.38
12	49	1.40
13	50	1.41
14	51	1.43
15	52	1.44
16	53	1.46
17	54 and over	1.47

18

19 SEC. 49. Section 31874.5 of the Government Code is amended
20 to read:

21 31874.5. (a) Whenever the percentage of annual increase in
22 the cost of living as of January 1 of each year as shown by the
23 Bureau of Labor Statistics Consumer Price Index for All Urban
24 Consumers exceeds a full 3 percent of the existing cost-of-living
25 increase factor provided by any provision of this article, an
26 additional 1 percent of the excess for each full 3 percent over the
27 existing increase factor shall be applied to the retirement
28 allowances, optional death allowances, or annual death allowances
29 increased by any provision of this article. The increases in
30 allowances resulting from the adoption of this section shall be used
31 to offset any accumulated carryover balances under existing
32 cost-of-living adjustments. The cost of implementing this section
33 shall be prefunded commencing with the adoption of this section
34 by the board of supervisors. The method of paying the cost of
35 implementing this section may be mutually agreed to in a
36 memorandum of understanding executed by the employer and
37 employee representatives. The board of retirement shall conduct
38 the actuarial studies to determine those costs.

39 (b) This section shall not be operative in any county until it is
40 adopted by a majority vote of the board of supervisors.

1 (c) Notwithstanding subdivision (a), a memorandum of
2 understanding regarding the application of the contributions of
3 new members, as defined in subdivision (f) of Section 7522.04,
4 towards paying the cost of the additional cost-of-living adjustment
5 shall not conflict with the requirements of Section 7522.30 or as
6 may be agreed to in accordance with Sections 7522.30 and 31631.

7 SEC. 50. Section 31899 of the Government Code is amended
8 to read:

9 31899. (a) The purpose of this chapter is to ensure the federal
10 tax-exempt status of the county employees' retirement systems,
11 to preserve the deferred treatment of federal income tax on public
12 employer contributions to public employee pensions, and to ensure
13 that members are provided with retirement and other related
14 benefits that are commensurate, to the extent deemed reasonable,
15 with the services rendered without violating the intent and purposes
16 of Section 415 of the Internal Revenue Code.

17 (b) To achieve this purpose, this chapter incorporates certain
18 pension payment limitations and elects the "grandfather" option
19 in Section 415(b)(10) of the Internal Revenue Code. Also, this
20 chapter provides for certain replacement benefits.

21 (c) On or after January 1, 2013, the application of this chapter
22 is limited as specified in Section 7522.43.